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Federal-State

MARKET NEWS SERVICE

U.S. DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE
MARKETING BULLETIN No. 40

Federal-State **MARKET NEWS SERVICE**

WHAT IT IS

Market news is the gathering and reporting of up-to-the-minute information on the supply, demand, prices, and movement of agricultural products.

Market news is that radio price report the farmer listens to every morning at 6 a.m. so he'll know whether to sell or not.

Market news is the agricultural trading report the businessman finds on the financial page of his newspaper, the report the farmer consults before he decides to accept the day's bid, the teletype message the broker uses before he starts his day's selling.

Market news is an essential thread which helps to hold together this Nation's farflung agricultural marketing system. It provides up-to-the-minute information to help make our farm production and marketing system the world's most efficient and economical.

Federal and State reporters gather and report this information daily. Their objective reports answer such questions as: What are the current prices for agricultural products in production areas and distribution points in large consumer areas? Is the supply of a commodity average, too much, or too little relative to demand? How much market activity is there? Is demand good or light? Where are agricultural products coming from and where are they going?

COLLECTING AND DISTRIBUTING MARKET NEWS

Almost everywhere farm products are traded, Federal-State market news reporters are at work, checking on qualities and quantities of the products sold, prices paid, demand, movement, and trends.

Market news reporters are experts on the commodities they cover and they report in nationally understood trading terms. This way, prices, supply, and demand can be realistically compared from day to day and from market to market throughout the country.

Market news reporters in more than 210 field locations gather and document information by personal observation of transactions, by talking to buyers and sellers, and by checking sales records. They must make sure that they are giving an accurate picture of the market. Many people are relying upon their reports.

Because many market news offices are linked by USDA's nationwide teletype network, the reporters know what's happening in trading around the country. Using this information, they are able to tell farmers and others what the status of the market is.

Market news reporters put many of their reports on the teletype circuit. They give information to radio and television stations, to newspapers and trade magazines. They give brief market summaries to the commercial news wire services. They also issue some printed market news reports on a daily, weekly, monthly, and annual basis.

Rapid dissemination of market news has been aided by the growing use of automatic telephone answering devices. In many States, a farmer or trader can dial a local number and receive a recorded message with the latest market news reports for a particular commodity in his area.

WHAT MARKET NEWS COVERS

Market news reports cover prices, supplies, movement of supplies, demand, and the quality levels being traded for the following commodities:

cotton and cottonseed

dairy products

fruits, vegetables, ornamentals, and specialty crops

grain, hay, and feed

livestock, meat, and wool

poultry and eggs

tobacco and naval stores



GLOSSARY OF TERMS USED IN FEDERAL-STATE MARKET NEWS

Whether it's the cattle market in Omaha or the New York City egg market, when a USDA market news report says that prices are firm or that supplies are light or that demand is very good, the terms used mean the same thing.

Federal-State market news reporters use the following terms:

MARKET - A term with several meanings:

A geographic location where a commodity is traded.

The price, or price level, at which a commodity is traded.

To sell (verb).

MARKET ACTIVITY - The pace at which sales are being made.

active - Available supplies (offerings) are readily clearing the market.

moderate - Available supplies (offerings) are clearing the market at a reasonable rate.

slow - Available supplies (offerings) are not readily clearing the market.

inactive - Sales are intermittent with few buyers or sellers.

PRICE TREND - The direction in which prices are moving in relation to trading in the previous reporting periods(s).

higher - The majority of sales are at prices measurably higher than the previous trading session.

firm - Prices are tending higher, but not measurably so.

steady - Prices are unchanged from previous trading session.

weak - Prices are tending lower, but not measurably so.

lower - Prices for most sales are measurably lower than the previous trading session.

SUPPLY/OFFERING - The quantity of a particular item available for current trading.

heavy - When the volume of supplies is above average for the market being reported.

moderate - When volume of supplies is average for the market being reported.

light - When the volume of supplies is below average for the market being reported.

DEMAND - The desire to possess a commodity coupled with the willingness and ability to pay.

very good - Offerings or supplies are rapidly absorbed.

good - Firm confidence on the part of buyers that general market conditions are good. Trading is more active than normal.

moderate - Average buyer interest and trading.

light - Demand is below average.

very light - Few buyers are interested in trading.

MOSTLY - The majority of sales or volume.

UNDERTONE - Situation or sense of direction in an unsettled market situation.



FOR MORE INFORMATION

Information on market news for the commodities below is available from program divisions in USDA's Agricultural Marketing Service. Write to the division covering the commodity you are interested in for complete information on the location of their market news messages in your area, and reports available.

COTTON AND COTTONSEED

Marketing Programs Branch
Cotton Division
AMS-USDA
Washington, D.C. 20250
(202) 447-2072

DAIRY PRODUCTS

Market Information Branch
Dairy Division
AMS-USDA
Washington, D.C. 20250
(202) 447-7461

FRUITS, VEGETABLES, ORNAMENTALS, AND SPECIALTY CROPS

Market News Branch
Fruit and Vegetable Division
AMS-USDA
Washington, D.C. 20250
(202) 447-2745

GRAIN, HAY, AND FEED

Market News Branch
Grain and Seed Division
AMS-USDA
Washington, D.C. 20250
(202) 447-7316

LIVESTOCK, MEAT, AND WOOL

Market News Branch
Livestock Division
AMS-USDA
Washington, D.C. 20250
(202) 447-6231

POULTRY AND EGGS

Market News Branch
Poultry Division
AMS-USDA
Washington, D.C. 20250
(202) 447-6911

**TOBACCO AND
NAVAL STORES**

Marketing Programs Branch
Tobacco Division
AMS-USDA
Washington, D.C. 20250
(202) 447-3489

OTHER

Program Services Branch
Information Division
AMS-USDA
Washington, D.C. 20250
(202) 447-7587

All persons have equal rights to all services of USDA's Agricultural Marketing Service. If you feel you have been denied the benefits of this program because of race, color or national origin, write directly to: The Secretary of Agriculture, U.S. Department of Agriculture, Washington, D.C. 20250.

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WASHINGTON, D.C. 20250
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